

# Costs/Benefits of Providing Substance Use Disorder Services

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Colorado Substance Use Disorder Service MSO

# Signal's Reach

- Signal, a Colorado nonprofit, in partnership with the Office of Behavioral Health, offers services to clients in need of substance use disorder services throughout Colorado as a part of the MSO system
- Regions of responsibility covers approximately 75% of Coloradoans who receive care in the system
- Offers treatment, recovery, and prevention through our local provider agencies

# MSO System

- Substance Abuse Services Managed Service Organizations (MSO) provide historically provided **treatment** services to indigent (300% of FPL)
- Recently, under **SB202**, the MSOs have been able to invest in **recovery** and prevention **supports**, as well as expanding access to treatment.
- Further, the Office of Behavioral Health has partnered with the MSOs to assist in their State plan for the STR and SOR grants, which have all 3 parts of the continuum as well

# Major sources of funding for services

- Federal SAMHSA Substance Abuse, Prevention, and Treatment (SAPT) block grant
- Other State-funded programs
- SAMHSA State Targeted Response Grant services for Opioid Epidemic (upcoming and SOR grant)
- Special Connections: Residential Treatment for pregnant women

# SB202

- SB202 providing increased access to recovery, treatment, and prevention services.  
Examples:
  - Boulder Suboxone Clinic
  - Lamar MAT clinic
  - Women's Residential Program in the Northeast
  - Recovery services at a homeless shelter in Denver
  - SBIRT in rural primary care settings
- This has been one of the most powerful interventions of funding for community-informed SUD services and supports

# Costs of SUD

- \$442 billion annually in **criminal justice, avoidable health care, and economic impact, such as lost productivity**<sup>1</sup>
  - That is **2% of US GDP** in 2018
  - US News and World Report called this figure “**economy-wrecking**”<sup>2</sup>
  - According to the CDC, this is approximately half of the costs associated with **diabetes**<sup>3</sup>

1. Sacks, J. J., Gonzales, K. R., Bouchery, E. E., Tomedi, L. E., & Brewer, R. D. (2015). 2010 national and state costs of excessive alcohol consumption. *American Journal of Preventive Medicine*, 49(5), e73-e79 and National Drug Intelligence Center. (2011). *National drug threat assessment*. Washington, DC: U.S. Department of Justice.

2. 2016: US News and World Report: The Staggering Costs, Monetary and Otherwise, of Substance Abuse

3. 2014, CDC

## Costs of SUD (Cont'd)

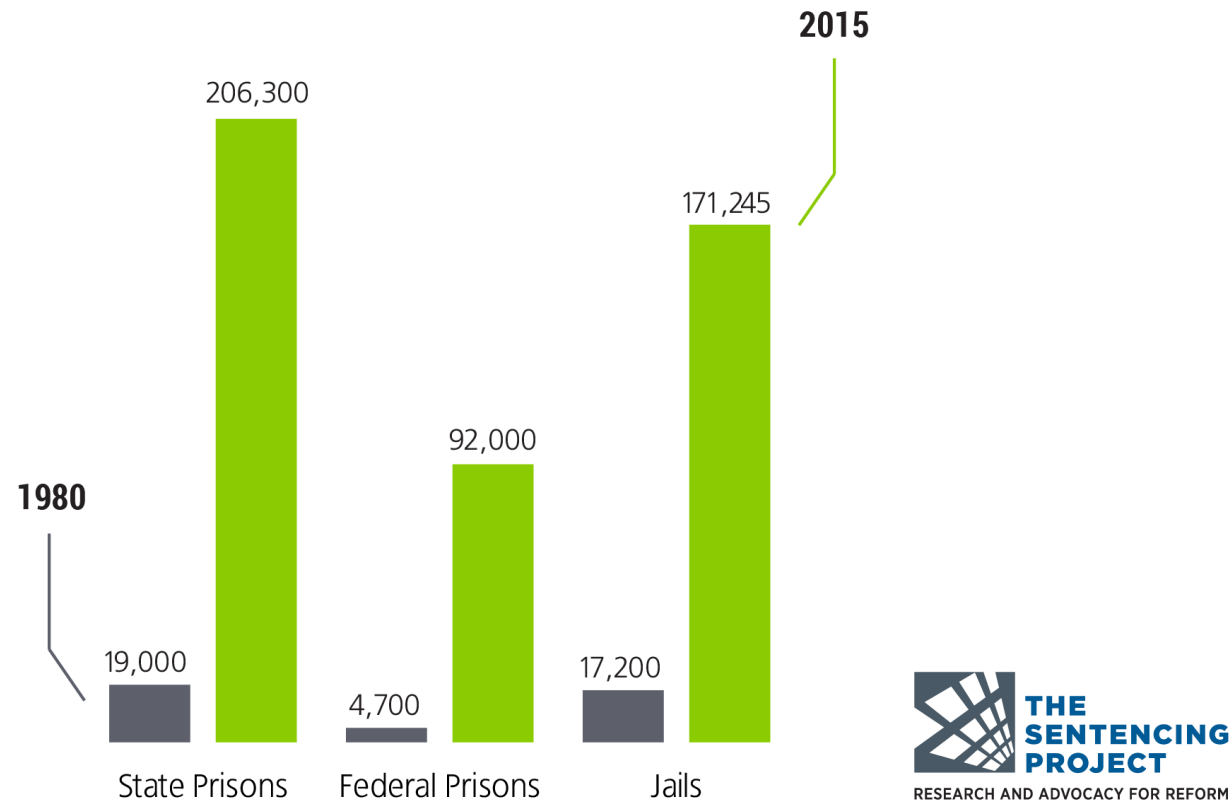
- “Mental health and substance use disorders together were the **leading cause of disease burden** in 2015, surpassing cancer and cardiovascular disease, among others.”<sup>1</sup>
- Unintentional poisonings, mostly from **drug overdoses** is **500% more likely** in the US than other comparable developed countries<sup>1</sup>
- Early analysis from HCPF estimates the potentially avoidable costs of SUD at **\$63,000,000 in Colorado**

1. 2017, Kaiser Family Foundation: Visualizing Health Policy: The Costs and Outcomes of Mental Health and Substance Use Disorders in the US

# Non-financial costs

- Child welfare (often estimated that 1/3 to 2/3 of CW involved parents have a substance use disorder)
  - Annually 35,000 infants are born with Neonatal Abstinence Syndrome (NAS)
- Homelessness (approximately **two-thirds have substance use disorder**)
- Incarceration and Mandatory Minimums for drug offenses

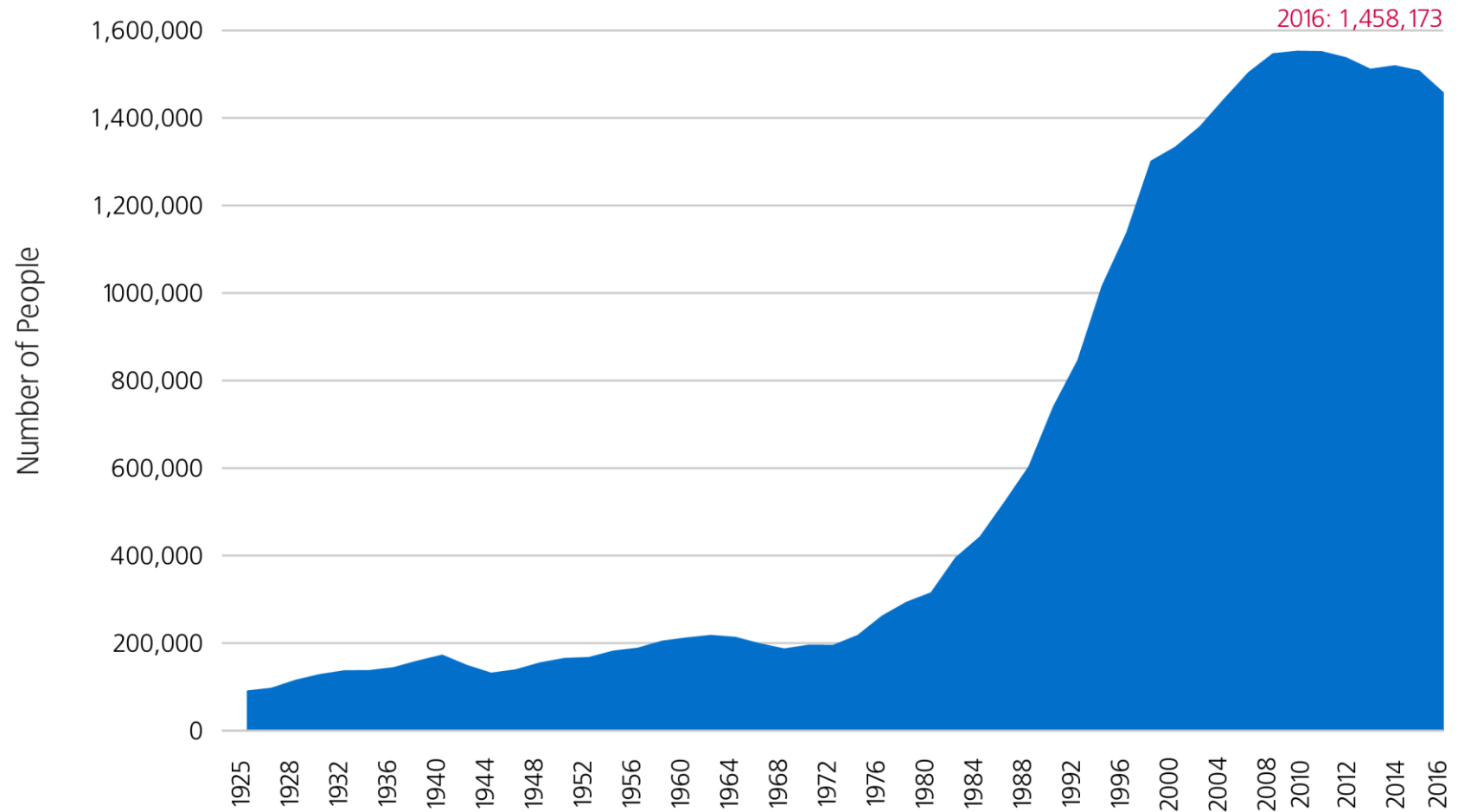
## Number of People in Prisons and Jails for Drug Offenses, 1980 and 2015



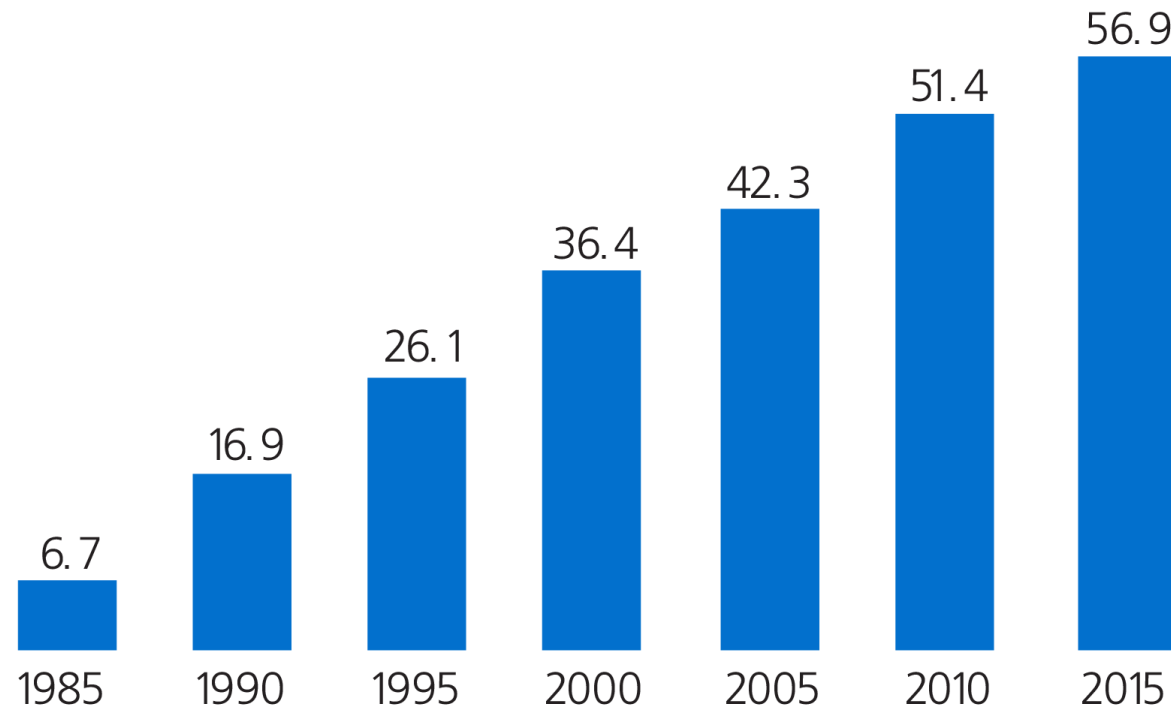
Sources: Carson, E.A. and Anderson, E. (2016). *Prisoners in 2015*. Washington, DC: Bureau of Justice Statistics; James, D.J. (2004). *Profile of Jail Inmates, 2002*. Washington, DC: Bureau of Justice Statistics; Mauer, M. and King, R. (2007). *A 25-Year Quagmire: The War on Drugs and its Impact on American Society*. Washington, DC: The Sentencing Project; Minton, T.D. and Zeng, Z. (2016). *Jail Inmates in 2015*. Washington, DC: Bureau of Justice Statistics.



## U.S. State and Federal Prison Population, 1925-2016



## State Expenditures on Corrections in Billions, 1985-2015



Source: National Association of State Budget Officers (1985-2015). *State Expenditure Report Series*. Washington, DC: National Association of State Budget Officers.

## SUD as a chronic disease

- The most current studies and evidence point to substance use disorder as a disease of the brain, requiring treatment.
- Relapse: better framed as those with an SUD can suffer from a return of symptoms periodically
- Recovery: receiving appropriate care for the disorder

# Effective strategies

- Evidence shows that early screening works very well, particularly when performed in primary health care encounters, using tools like Screening, Brief Intervention, and Referral to Treatment (SBIRT)<sup>1</sup>
- Effective treatment options include withdrawal management, outpatient care, medication-assisted treatment, residential, inpatient, and recovery services.
- Drug-free housing, supportive linkages to employment, etc.

1. 2012, NIH: Behavioral counseling after screening for alcohol misuse in primary care: a systematic review and meta-analysis for the U.S. Preventive Services Task Force

# Outcomes

- Just like any other complex chronic illnesses, like cancer, the right level of care for individuals varies, appropriate to their diagnosis.
- Primary factors of costs, outcomes, remission, and recovery rates:
  - Individual
  - Environmental circumstances
  - Co-occurring illnesses
  - Nature of substance use disorder

## Outcomes (Cont'd)

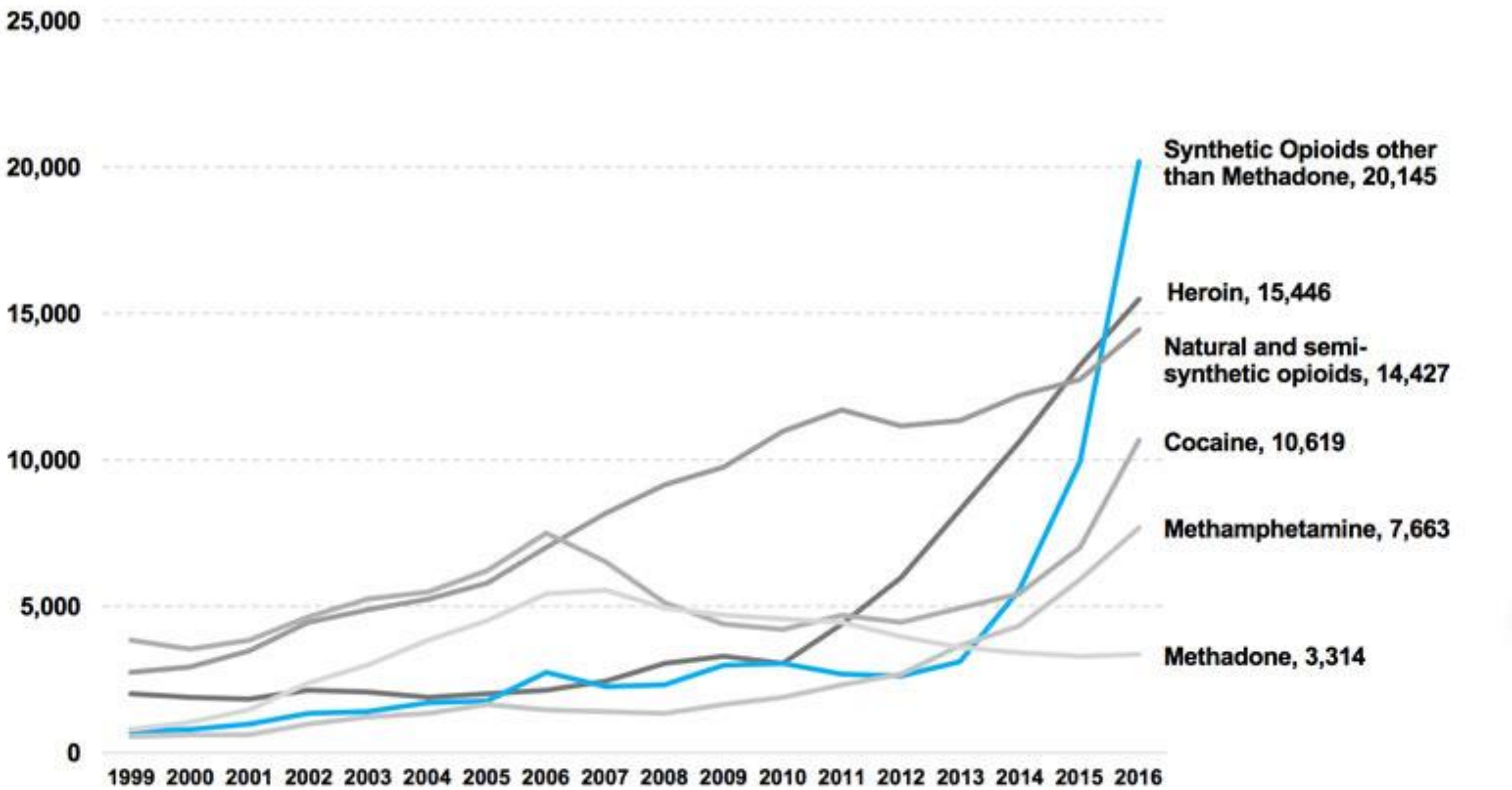
- The data shows that **50-60%** of people receiving treatment enter **recovery**<sup>1</sup>
  - Comparable with Type II diabetes, hypertension, severe asthma, etc.

<sup>1</sup>. Dr. John Kelly, Massachusetts General Hospital, Harvard Medical School

# Costs Associated with Delaying Care **Epidemic<sup>1</sup>**

1. 2017: NIDA, Overdose Death Rates

# Drugs Involved in U.S. Overdose Deaths, 2000 to 2016



# Cost savings

- SUD Treatment services, in reality are extremely inexpensive, by comparison to other healthcare
  - Average ER bill: \$1233<sup>1</sup> vs. around \$350/admission rate to a clinically-managed withdrawal management (WM) facility
  - Average ICU stay: \$2455/day<sup>2</sup> vs. between \$255 and \$450/day for residential SUD care

1. 2013, Washington Post: An average ER visit costs more than an average month's rent

2. 2005, Critical Care Medicine

## Cost Savings (Cont'd)

- According<sup>1</sup> to the Office of National Drug Control Policy, for every \$1 invested into effective SUD treatment:
  - \$4 saved in health care costs
  - \$7 saved in criminal justice

1. 2012, Office of National Drug Control Policy

# Conclusion

- Investing in effective SUD services
  - Saves money
  - Reduces societal harms
- Most important cost/benefit: **saved lives and lives lived well, in recovery**

# Conclusion

- **People get better** at the same rates as other chronic illnesses
- **Investment is fractional** compared to other types of healthcare
- **Savings is significant** elsewhere in the economy